Strategic Goal 4: Weapons of Mass Destruction

Reduce the Threat of Weapons of Mass Destruction to the United States, Our Allies, and Our Friends

I. Strategic Goal Public Benefit

Weapons of mass destruction (WMD) including nuclear; chemical, biological and radiological weapons and their delivery systems can threaten our territory and citizens, our armed forces, our national interests, and our allies and friends overseas. The Department helps combat this threat by working with other countries to fight WMD and missile proliferation, to defend against WMD attack, and to deny them to terrorist groups and rogue states. Our efforts improve the safety and security of the United States and its friends and allies by lowering the risk of conflict; minimizing the destruction caused by an attack or conflict; denying access to such indiscriminate weapons and the expertise necessary to develop them; and preventing potentially devastating WMD-related accidents.

The Department is committed to reducing the WMD and missile threat through agreements to reduce current nuclear weapons stockpiles; cooperative efforts to develop missile defenses as appropriate; strengthening nonproliferation treaties and commitments and their implementation; and active measures to improve and enforce export controls. The Department is leading the U.S. to shape international strategies to eliminate threats remaining from the Cold War's WMD legacy, enhance controls on biological agents and toxins, especially in the area of national controls; and, most recently, redirect Iraq's former WMD scientists. To ensure our WMD strategies are both robust and effective, the Department seeks to integrate verification measures into arms control negotiations and nonproliferation agreements and commitments. The Department also works to ensure that compliance is rigorous and enforced. WMD and missile proliferation, especially in troubled regions, exacerbates regional instability and its associated negative political, economic and social consequences, including the danger that terrorists might acquire WMD and delivery systems. The Department is on the leading edge in responding to these and other WMD challenges that might arise.

II. Resource Summary ($ in Millions)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request	Change from FY 2004	
				Amount	%
Staff [1]	485	489	489	0	0%
Funds [2]	$406	$417	$435	$18	4.4%

[1] Department of State direct-funded positions.
[2] Funds include both Department of State Appropriations Act Resources and Foreign Operations Resources, where applicable, which include resources for other USG agencies to which the Department provides foreign policy guidance (e.g., USAID, EXIM, OPIC, TDA, Peace Corps).

III. Strategic Goal Context

Shown below are the three performance goals, initiatives/programs, resources, bureaus and partners that contribute to accomplishment of the "Weapons of Mass Destruction" strategic goal. Acronyms are defined in the glossary at the back of this publication.

Strategic Goal	Performance Goal (Short Title)	Initiative/ Program	Major Resources	Lead Bureau(s)	External Partners
Weapons of Mass Destruction	Unilateral and Bilateral Measures	Curb Access	D&CP, NADR EXBS, Science Center, Bio-Chem Redirect, Iraq Redirection Program, Sanctions, Export licensing, and NDF Programs	TBD	TBD
		Cooperation on Missile Defense	D&CP	AC	DoD, IC, NSC, NATO
		Cooperation with Russia on New Strategic Framework	D&CP	AC, VC	DoD, IC, NSC, NATO
	Multilateral Agreements and Nuclear Cooperation	Strengthen Global Norms	D&CP, NADR, IAEA, Voluntary Contributions, CPPNM	TBD	TBD
		Chemical Weapons Convention	D&CP, CIO Account for assess-ments and inspections	AC, VC	DoD, DoC, DoJ, DoE, IC, NSC, OPCW
		Biological Weapons Convention	D&CP	AC, VC	DoD, DoE, DoC, DHHS, IC, NSC, WHO, FAO
		Promote Safe Nuclear Cooperation	D&CP	TBD	TBD
	Verification and Compliance	Arms Control	D&CP	VC, NP	TBD
		Compliance Diplomacy	D&CP	VC, NP, AC	TBD
		President's Annual Noncompliance Report	D&CP	VC	TBD
		All Source Intelligence Collection; Technology R&D	D&CP	VC	IC, DoD, DOE, DHS, OSTP, TSWG, DTRA, National Labs, NSC, OVP
		Communication for Arms Control	D&CP	VC, AC	DoD, DoE, DoC, NSC, IC

IV. Performance Summary

For each Initiative/Program that supports accomplishment of this strategic goal, the most critical FY 2005 performance indicators and targets are shown below.

Annual Performance Goal #1
UNILATERAL AND BILATERAL MEASURES, INCLUDING THE PROMOTION OF NEW TECHNOLOGIES, COMBAT THE PROLIFERATION OF WMD AND REDUCE STOCKPILES.

I/P #1: Curb Access

The access of proliferators, terrorists, and state sponsors of terrorism to material, equipment and technology for WMD and missiles curbed.

Results			Targets	
2000 & 2001	2002	2003	2004	2005
Outcome Indicator				
Indicator #1: Access to Weapons of Mass Destruction Impeded; States Conform to International Non-Proliferation Norms of Behavior.				
2000: Russia: Provided technology and assistance to Iran and India. China: Announced it would not assist other countries in developing ballistic missiles. North Korea: Negotiated about ending missile exports. NIS Countries: One (Ukraine) of twelve NIS countries enforced export controls. South Asia: Continued unilateral nuclear testing moratoria, restraints in nuclear and missile program, stronger export controls. Experts cooperated with India to improve export control regulation and mechanisms.	Russia: Exported technology; increased attention to Iran's WMD and missile programs. China: Implemented its 1997 nuclear commitment but not its 2000 missile commitment. North Korea: Accepted U.S. offer for talks, but continued to export missile-related items. NIS Countries: European countries developed export controls; some NIS countries moved towards controls. South Asia: Onward proliferation remains concern.	Russia: Maintained its cooperation with Iran's program, but expresses increasing concern as IAEA establishes Iranian safeguard violations. International consensus against supply to Iran remains in place. China: Continues to cooperate. Attention, however, has been given to other priorities that have arisen. North Korea: Not contributed to nuclear programs in other countries, but ballistic missile exports contribute to destabilizing already volatile regions of the Middle East/North Africa and South Asia.	Iran: So long as it does not verifiably end its nuclear pursuits and fully implement IAEA Additional Protocol, UNSC takes action in support of IAEA requirements in Iran. Wide international consensus that Iran should not possess enrichment or reprocessing. Iran's international political and economic isolation grows. Russia/Iran: Stops nuclear and missile cooperation with Iran. Strengthened export controls in Russia. China: Adheres to 1997 nuclear and 2000 missile commitments and effectively implements its export control regulations. Libya: Implementing commitments made to U.S./UK on WMD/missiles. Meeting new obligations under CWC and NPT Additional Protocol.	Iran: Ceases cooperation on Bushehr reactor. Wide international consensus that Iran should not possess enrichment or reprocessing facilities until trust rebuilt. Iran begins to dismantle infrastructure; international inspectors verify dismantlement of infrastructure. Permanent, effective inspection protocols put in place. Iran denied WMD/missiles and related technology, materials, equipment and expertise from other countries (Widens Iran discussion from just Iran/Russia relationship) China: Fully implements its 1997 nuclear and 2000 missile commitments; effectively enforces its WMD/missile related export controls and addresses deficiencies in its export control system. China joins the Nuclear Suppliers group. U.S. will impose sanctions as warranted on Chinese entities engaged in activities of proliferation. Libya: Implementing commitments made to U.S./UK on WMD/missiles. Meeting new obligations under CWC and NPT Additional Protocol.

Indicator 1 continued on next page

I/P #1: Curb Access, *cont'd*				
Results			**Targets**	
2000 & 2001	**2002**	**2003**	**2004**	**2005**
Indicator #1, continued				
Middle East: Iraq defied UN inspectors. Iran continued WMD development. **2001:** Russia: Partially halted assistance to Iran. China: Implemented its 1997 nuclear commitment, but not its 2000 missile commitment. North Korea: Did not export nuclear material or technology, but continued to seek buyers for missile exports. NIS Countries: Marked increase in meeting export control standards and in interdicting WMD and related components. South Asia: Same as 2000. Middle East: Same as 2000.	Middle East: Broad international support for pressure on Iraq leads to two landmark UN Security Council Resolutions; Goods Review List (1409) and resumption of weapons inspections (1441). Smart sanctions denied Iraq technologies necessary for WMD and missiles. Iran continued WMD and missile development. Strengthened export controls in region.	G8 initiative: Accepts assistance from the G-8 to determine what regulatory provisions need to be adopted to ensure that Russia's nuclear safety regime will be consistent with the Convention on Nuclear Safety. Russia becomes a member of the Nuclear Safety and Security Group. Ukrainians increase staff to meet their increasing responsibilities. New Safe Confinement conceptual design is completed and obtains regulatory approval. Stabilization contractor is selected and mobilized. South Asia: Five technical export control cooperation exchanges completed with India. Indian officials work toward exchanges in export control system; make arrests and begin prosecution of notorious proliferating entity and investigate additional entities. Technical export control cooperation with Pakistan initiated, with first meetings held in February. Middle East: UNMOVIC & IAEA inspectors withdrawn from Iraq prior to military action. Under a deadline set by the IAEA Board of Governors on 09/12, Iran has until 10/31 to make full disclosure of its nuclear activities to the IAEA. WMD and other related technology are denied to Libya.	North Korea**:** Maintains its missile flight-test moratorium and to constrain its missile- related exports. North Korea remains a non-nuclear weapon state party to the NPT; agrees to verifiably and irreversibly dismantle its nuclear program; no plutonium reprocessing; uranium enrichment program shut down and elimination begins in a verifiable and irreversible manner; IAEA prepares to assess program history; North Korea cooperates with IAEA on safeguards, including beginning assessment of program history. Middle East: International community taking steps to ensure against Iranian, Syrian, and Libyan WMD and missile programs. Export Control – National: Ensure that our own export controls effectively prevent U.S. companies from providing assistance to WMD programs. Export Control – Global: Selected countries' in Europe and Eurasia export control systems meet international standards; at least two more key transshipment countries achieve significant progress in meeting standards for effective enforcement; 10% more blocked transfers or interdiction by these states. Initiate export control cooperation with Iraq and selected key transit/transshipment countries in Africa.	North Korea: Agreement to verifiably and irreversibly dismantle its nuclear program stands. Action continues to implement dismantlement of uranium, plutonium, and nuclear programs. International inspectors verify dismantlement and program history assessment. Agrees to halt missile exports (including related equipment and technology) and discuss constraints to its missile program; agrees to eliminate or freeze its MTCR-class missile programs, and extends its missile flight test moratorium. Export Control – National: Same as 2004. Export Control – Global: Additional countries' export control systems meet international standards. Specifically, the majority of countries in Europe/Eurasia meet internationally recognized export control standards; at least five more key transshipment countries achieve significant progress in meeting standards for effective enforcement; 10% more blocked transfers or interdiction by these states. Initiate export control cooperation with selected countries in South America. South Asia: Improved implementation of export controls consistent with recognized standards. Middle East/Iraq: Signs and fully implements an IAEA protocol.

I/P #1: Curb Access, *cont'd*				
Results			**Targets**	
2000 & 2001	**2002**	**2003**	**2004**	**2005**
Outcome Indicator				
Indicator #2: Progress Toward Implementing Fissile Material Projects				
2000: U.S.-Russian agreement on plutonium disposition completed. **2001:** Plutonium disposition (PuD) suspended; Plutonium Production Reactor Agreement (PPRA) suspended.	Progress made on Russian plutonium stockpile implementation and transparency issues. Preparations for negotiations of U.S.-Russian plutonium-disposition multilateral framework are on track. PPRA Amendment and fossil fuel implementing agreement concluded, awaiting Russian government approval to sign.	Russia decided to use the same design for mixed oxide (MOX) fuel fabrication facility as in the U.S.; negotiations of a multilateral framework to support Russian plutonium disposition started and continued. PPRA Amendment and replacement implementing agreement signed; access arrangements for U.S. personnel overseeing projects to construct/refurbish fossil fuel plants to replace production reactors signed; initial contracts signed and implementation underway. PPRA monitoring of shutdown reactors and weapon-grade plutonium in storage continue smoothly. Negotiations continued on Mayak Fissile Material Storage Facility (FMSF).	Multilateral framework and international financing for Russian PuD program plan completed. Key elements of the M&I regime agreed bilaterally and consultations with IAEA begun. Implementation of PPRA fully underway. Negotiations underway on international participation in PRA-related projects and on reduction of Russian plutonium production prior to shutdown of reactors. Mayak FMSF contains at least several tons of plutonium under bilateral transparency.	Begin implementing PuD multilateral framework and international financing plan. Conclude agreements with IAEA on M&I regime. Continue implementing PPRA. Begin implementing reduced plutonium production. Implement Mayak FMSF transparency arrangements. Obtain pledges of ninety-five percent of Global Partnership target, and twenty percent of actual spending commitments.

I/P #1: Curb Access, *cont'd*				
Results			**Targets**	
2000 & 2001	**2002**	**2003**	**2004**	**2005**
Outcome Indicator				
Indicator #3: Redirection of former WMD Scientists/Engineer to Civilian Activities and Developing Self-Sustaining Civilian Alternative Employment				
2000: Engaged more than 30,000 scientists in peaceful civilian efforts. Moved to support sustainable transition from weapons to civilian work. **2001:** Up to 40,000 scientists and several new high-interest institutes now engaged.	Engaged cumulative total of 50,000 scientists, of whom about 26,000 were former WMD scientists. Eight new U.S. industry partners recruited. Three new technological applications brought to market, including Neurok TechSoft (linear differential equation solver), a laser-based fluorocarbon detector, and new computer animation technology.	U.S. private sector industry partners total over sixty. Five new projects funded at three newly-engaged BW and CW institutes. Three new U.S. industry partners recruited thus far, with partial year results for U.S. non-NP Partner funding at 14% of total project funding. The BioIndustry Initiative has funded long-term commercialization and sustainability programs at large-scale biologic production facilities in Russia and Kazakhstan; has developed Russian Bioconsortium of former BW research and production facilities; has developed relationships with DOW Chemical and Eli Lilly.	1. Gain access to at least two new previously inaccessible BW and/or CW institutes in Russia/Eurasia via the Bio-Chem Redirect Program, and at least three new high-priority former WMD institute in member countries Azerbaijan and Tajikistan. 2. Increase level of U.S. private industry funding of joint science center projects to 12% of total project funding. 3. Graduate two institutes or groups of scientists from NP/Science Center Program assistance. 4. Begin two new BII conversion and commercialization projects at priority BW production facilities. Fund two new BII projects on accelerated drug and vaccine research.	1. Gain access to at least two new previously inaccessible BW and/or CW institutes in Russia/Eurasia via the Bio-Chem Redirect Program, and at least four new high-priority former WMD institute in member countries Azerbaijan and Tajikistan. 2. Increase level of U.S. private industry funding of joint science center projects to 15% of total project funding. 3. Graduate 2-3 institutes or groups of scientists from NP/Science Center Program assistance. Identify candidates among chem and bio institutes for graduation in FY06. 4. Begin two new BII conversion and commercialization projects at priority BW production facilities. Fund two new BII projects on accelerated drug and vaccine research. 5. Initiate effort in Iraq to engage, redirect, retrain and/or re-employ former WMD scientists and engineers. Establish initial group of transition and training activities; develop database of available scientists/engineers; coordinate activities with other reconstructions efforts.

I/P #2: Cooperation with Allies/Friends on Missile Defense

Seek the support of allies and friends for the new strategic relationship with Russia and the Moscow Treaty on Strategic Offensive Reductions, and their cooperation in countering new WMD threats and in missile defense development and deployment aimed at dissuading rogue states from acquiring WMD and ballistic missiles and deterring their use.

Results			Targets	
2000 & 2001	2002	2003	2004	2005
Outcome Indicator				
Indicator #4: Status of Cooperation With Allies on Missile Defense				
2000: N/A **2001:** Baseline: Based on President's May 1, 2001 speech at National Defense University, consultations began with allies on new U.S.-Russia strategic framework.	Intensive consultations held with allies concerning the U.S. Nuclear Posture Review, U.S. withdrawal from the ABM Treaty, and the Moscow Treaty. Allies and friends welcomed the Treaty. Diplomatic efforts continued to gain their active support for, and participation in, U.S. missile defense plans and programs.	The UK agreed to support the upgrade of the early warning radar at Fylingdales; discussions with Denmark on upgrading the early warning radar in Greenland are progressing well. The U.S. and UK signed a Memorandum of Understanding regarding missile defense cooperation in June 2003. The U.S. is working with Germany and Italy on the Medium Extended Air Defense System. The U.S. and Canada established a regular consultation mechanism and are exploring potential areas of joint cooperation. At the November 2003 Summit, the U.S. obtained NATO agreement to study the feasibility of missile defenses to protect population and territory, and the U.S. continues to work closely with NATO on this. The U.S. is working closely on missile defense with Japan, whose government has significantly increased its budget request for missile defense-related work. The U.S. and Australia discussed Canberra's interest in missile defense and opportunities for cooperation. The U.S. and India have discussed how India could conduct a missile defense requirements analysis.	Allies and friends support deployment of a limited U.S. missile defense system; some allies join U.S. on specific missile defense-related projects.	All key allies and friends endorse the deployment of the limited U.S. missile defense system. More allies/friends work with U.S. on missile defense-related projects, or some allies/friends undertake their own missile defense-related projects without the U.S.

I/P #3: Cooperation with Russia on New Strategic Framework

Give further content and definition to the Administration's commitment to deepening the strategic relationship with Russia

Results			Targets	
2000 & 2001	2002	2003	2004	2005
Outcome Indicator				
Indicator #5: Levels of Offensive Warheads. Transparency in Reductions and Missile Defense Plans. Treaty Implementation Issues Resolved. Operation of JDEC.				
2000: N/A **2001:** Baseline: Following President's May 1, 2001, speech at the National Defense University, consultations began with Russia on the New Strategic Framework.	U.S. and Russia established a New Strategic Framework, including commitment to deep reductions in strategic nuclear warheads. Treaty on Strategic Offensive Reductions signed in Moscow in May 2002, calling for reductions to 1,700-2,200 warheads for each side by December 31, 2012. U.S. withdrew from Anti-Ballistic Missile (ABM) Treaty, thus removing the principal legal obstacle to deployment of missile defenses. The CGSS was established to expand transparency, including on Non-Strategic Nuclear Weapons (NSNW). NATO and Russia discussed potential confidence-building measures and transparency measures for NSNW. Talks continued with Russia on enhancing transparency and predictability with regard to missile defense plans and programs, as well as cooperation in missile defense-related projects. All parties completed the final START I reductions by the required deadline of December 5, 2001.	Moscow Treaty entered into force on June 1, 2003. Discussions on procedures for and scheduling of the Moscow Treaty's Bilateral Implementation Commission began. The Department opened regular consultations on arms control with the Russian MFA at the Assistant Secretary level. CGSS Working Groups on offensive strategic affairs and missile defense have met twice and three times, respectively. The U.S. and Russia began exchanging information on their plans for reductions under the Moscow Treaty. In February 2003, NATO and Russia agreed on a work plan that includes some nuclear CSBMs. Discussions on START. Implementation continued on a more positive basis than in previous years; meeting of the Joint Compliance and Inspection Commission (JCIC) took place in June and August 2003.	Understanding reached with Russia on, and implementation of, practical transparency and predictability efforts related to non-strategic nuclear warheads and to strategic activities beyond Moscow Treaty obligations. Practical transparency and predictability efforts in the area of missile defense are identified with Russia. U.S. and Russia define and initiate missile defense-related research and development projects. NATO and Russia identify areas of potential agreement within the NATO framework about missile defense cooperation. START Treaty implementation issues resolved. U.S. and Russia begin full operations at the JDEC to exchange and monitor ballistic missile early warning data as part of the initiatives to improve strategic stability, and move toward a multilateralized operation.	Reductions under the Moscow Treaty proceed. Any implementation issues that arise are resolved. Transparency exchanges concerning strategic and non-strategic arms implemented smoothly. Implementation of voluntary and reciprocal transparency and predictability efforts vis-à-vis missile defense plans and programs. Continue implementation of U.S.-Russian missile defense-related cooperation projects. The JDEC is open and completely established, where U.S. and Russian military operators monitor side-by-side launches of ballistic missiles and space launch vehicles. U.S./NATO reach agreement within the NATO framework with Russia about long-term missile defense cooperation.

PART Program Efficiency Indicator Measure (Non-Proliferation and Disarmament Fund)				
Results			**Targets**	
2000 & 2001	**2002**	**2003**	**2004**	**2005**
Efficiency Indicator				
Indicator #6: Percentage of Project Results Achieved Within Budget Per Completed Project				
2000: N/A **2001:** N/A	N/A	Baseline: Program does not have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program.	Long-term measures are under development. At this juncture, the Department envisions measuring outcomes in terms of the budgetary parameters established for each individual NDF project. The key measurement will be to assess the effectiveness of NDF's management of high priority projects undertaken by gauging project outcomes within the established budget.	Long-term measurements for each high priority project established and in use.

Means for Achieving FY 2005 Targets

States Conform to International Norms of Behavior

- Implement our own export control regime to ensure the absence of U.S. assistance to WMD programs.
- Active diplomatic measures, (e.g., demarches and consultations with other nations, the UN, the IAEA, and other international organizations and NGOs, as needed).
- Encourage governments to use comprehensive export control legislation and enhanced enforcement capabilities developed with U.S. assistance to prevent, deter, and interdict shipments of proliferation concern.
- Via regime meetings (NSG, MTCR, AG, and WA) and outreach activities, work to strengthen export controls, urge restraint in WMD/missile programs (including with non-partners); engage non-partners to urge that they bring their respective nonproliferation policies and practices (including export controls) in line with international norms.
- Work to have additional countries subscribe to the International Code of Conduct Against Ballistic Missile Proliferation; have Code running smoothly.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.

Begin implementing PuD multilateral framework and international financing plan; continue implementing PPRA; begin implementing reduced plutonium production.

- This is accomplished in part through bilateral negotiations with Russia and in part through multilateral discussions with G-8 and other donors and the IAEA.
- The strategy for halting plutonium production is to carry out replacement implementing agreement to cease plutonium production under PPRA through shutdown and replacement of reactors by fossil fuel plants. Access arrangements will enable U.S. personnel to oversee fossil fuel plant construction.
- Continue to monitor shutdown reactors and Russian plutonium in storage; develop procedures to measure agreed attributes of stored Russian plutonium.

- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions for support of Russian plutonium disposition.
- Careful preparations for negotiations are designed to ensure that the plutonium-disposition multilateral framework, necessary Russian program decisions, and the linked U.S. domestic program, stay on track.
- Detailed negotiations with the G-8 and other donors on the specifics of the plutonium disposition multilateral framework and financing are required.
- This strategy has so far resulted in pledges of over $800 million, as well as considerable common ground for upcoming negotiations on the framework.
- Resolution required at political level of key outstanding negotiating issues (liability, Russian and donor contributions, financing mechanism for construction vice operation phases).
- Detailed negotiations of bilateral aspects of M&I regime with Russia and of appropriate pieces with the IAEA.

All key allies and friends endorse the deployment of U.S. missile defense system

- Engage in public diplomacy efforts to increase international understanding of the WMD and ballistic missile threat, enhance foreign confidence in U.S. leadership, and promote support for U.S. arms control and missile defense policies.
- Consult with allies and friends regarding U.S. missile defense policies and programs and other aspects of the U.S. and allied nuclear posture.

Implement Mayak FMSF transparency arrangements.

- Accomplished through bilateral negotiations with Russia on transparency protocol to fissile material storage facility (FMSF) agreement.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.

Obtain pledges of ninety-five percent of Global Partnership (GP) target, and twenty percent of actual spending commitments.

- Accomplished through bilateral and multilateral consultations with G-8 and other GP donor states,
- Resolution of outstanding Russian implementation problems blocking or discouraging donor commitments and actual expenditures.
- U.S.G. outreach to donor countries identifying high priority projects and providing support for launch of new projects by donors.
- Successful implementation of key programs under the Global Partnership, e.g., plutonium disposition (see above).

More allies/friends work with U.S. on missile defense-related projects, or some allies/friends undertake their own missile defense-related projects without the U.S.

- Consult regularly with allies and friends regarding rogue state threats, strategic stability in the new security environment, and U.S. missile defense plans, decisions, and programs.
- Work with allies and friends as they assess their missile defense requirements and to determine their level of participation in the U.S. missile defense program.
- Work within NATO to gain agreement to deploy missile defense systems capable of defending Alliance deployed forces against short- and medium-range ballistic missiles, and later, capable of defending Alliance territory and population against long-range ballistic missiles.

Reductions under the Moscow Treaty proceed. Any implementation issues that arise are resolved.

- Work with Russia in the Bilateral Implementation Commission to discuss issues related to implementation of the Moscow Treaty.
- Work with Russia in other diplomatic channels as appropriate to resolve implementation issues not readily addressed in the Bilateral Implementation Commission.

Transparency exchanges concerning strategic and non-strategic arms implemented smoothly.

- Work with the interagency to identify transparency measures that would be feasible and enhance U.S. security.
- Work with Russia in Working Group 1 under the Consultative Group for Strategic Security to develop further transparency.

Implementation of voluntary and reciprocal transparency and predictability efforts vis-à-vis missile defense plans and programs.

- Work with Russia in the Missile Defense Working Group to increase transparency and strengthen confidence on a voluntary and reciprocal basis regarding each other's missile defense-related plans and programs, involving the exchange of information, visits to missile defense-related facilities, exhibitions of missile defense systems, and the observation of missile defense flight tests.

Continue implementation of U.S.-Russian missile defense-related cooperation projects.

- Negotiate a Defense Technical Cooperation ("Umbrella") Agreement to facilitate bilateral U.S.-Russian missile defense cooperation.
- Work with Russia in the Missile Defense Working Group as well as in technical experts sub-groups to identify and agree upon cooperation projects.

The JDEC is open and completely established, where U.S. and Russian military operators monitor side-by-side launches of ballistic missiles and space launch vehicles.

- Continue talks with Russia in bilateral fora to seek a resolution on taxes and liability, as well as modifying the JDEC agreement to include a missile defense mission in addition to the early warning mission.
- Maintain the requirement for JDEC/PLNS compatibility with other international agreements such as The Hague Code of Conduct (ICOC).

U.S./NATO reach agreement within the NATO framework with Russia about long-term missile defense cooperation.

- Continue discussions within the NATO-Russia Council and its working groups to define technical approaches and political mechanisms for NATO-Russia cooperation on missile defense.
- Support NATO-Russia exercises to develop and test concepts for NATO-Russia missile defense cooperation.

Gain access to at least two new previously inaccessible BW and/or CW institutes in Russia/Eurasia via the Bio-Chem Redirect Program, and at least four new high-priority former WMD institute in member countries Azerbaijan and Tajikistan.

- Hold discussions with national and local government authorities, institute leaders, and scientists associated with inaccessible former BW and CW facilities, to build support and official approval for U.S. cooperative activities in these facilities.
- Develop and finance ISTC and STCU projects in previously inaccessible BW and CW institutes to enhance U.S. access, cooperation, and transparency in these facilities.
- Arrange and conduct U.S. engagement visits to newly identified former BW/CW institutes as well as arrange and finance reciprocal visits of institute officials and scientists from these facilities to the United States to build cooperative relationships.

Increase level of U.S. private industry funding of joint science center projects to 15% of total project funding.

- Support partner promotion and commercialization support activities at the two science centers, and sponsor targeted U.S. industry outreach efforts.
- Support and encourage the transfer to U.S. companies of USG licensing rights to technology created under USG-funded science center projects

Graduate 2-3 institutes or groups of scientists from NP/Science Center Program assistance. Identify candidates among chem and bio institutes for graduation in FY06.

- Gather data on institutes listed as NP/Science Center programmatic priorities to evaluate regularly the institutes' ability to sustain themselves.
- Design and fund targeted projects and activities at priority institutes, particularly bio and chem institutes, to promote the transition of these institutes to self-sustainability and graduation.

Begin two new BII conversion and commercialization projects at priority BW production facilities. Fund two new BII projects on accelerated drug and vaccine research.

- Hold discussions and organize meetings with national government officials and institute directors to organize, prioritize, approve, and implement project activity.
- Support U.S. and Russia/Eurasia bio-industry partnerships through targeted matchmaking efforts, site evaluation visits, and sponsored market needs analysis, business plans development, and infrastructure improvements.

Initiate effort in Iraq to engage, redirect, retrain and/or re-employ former WMD scientists and engineers. Establish initial group of transition and training activities; develop database of available scientists/engineers; coordinate activities with other reconstructions efforts.

- Establish and staff position on the staff of the Coalition Provisional Authority (CPA) to coordinate CPA's nonproliferation programs, including a program to engage former Iraqi WMD scientists. Incumbent will create a matrix of interaction among USG and NGO entities with the goal of leveraging the DOS funding.
- Create a set of Iraq-based research entities through which the WMD redirect plan will be implemented.
- Involve senior Iraqi scientists in the process of creating research, conference, and training opportunities.

Long-term measurements for each high priority project established and in use.

- Long term measures for the above projects have been designed, but are currently awaiting OMB approval.

Annual Performance Goal #2
STRENGTHENED MULTILATERAL WMD AGREEMENTS AND NUCLEAR ENERGY COOPERATION UNDER APPROPRIATE CONDITIONS

I/P #4: Strengthen Global Norms

Global norms and standards are strengthened by raising standards and enforcing increased compliance.

Results			Targets	
2000 & 2001	2002	2003	2004	2005
Outcome Indicator				
Indicator #1: Status of the Non-Proliferation Treaty (NPT) and International Atomic Energy Agency (IAEA)				
2000: The 2000 Review Conference showed wide support for the NPT. Forty-five countries have signed the IAEA safeguards protocol. **2001:** Fifty-two countries have signed the IAEA safeguards protocol.	PrepCom I for the 2005 NPT RevCon concluded smoothly. The IAEA took action on integrated safeguards and emphasized financial needs; nine more states signed, bringing the total to sixty-seven, of which, twenty-eight protocols have entered into force. The IAEA Board approved a multi-year, $11.5 million a year program to address the prevention of, detection of and response to nuclear terrorism. President Bush sent U.S. Additional Protocol to Senate for its advice and consent.	PrepCom II for the 2005 NPT Review Conference concluded successfully. Cuba and East Timor joined the treaty. The international community urged Iran to comply with the NPT and North Korea to reverse its position on NPT withdrawal. Eleven more states signed an additional protocol, bringing the total to seventy-eight, thirty-seven of which have entered into force. Voluntary contributions to the IAEA anti-nuclear terrorism program funding doubled in FY 2003.	IAEA successfully uses the first increase in the safeguards to meet critical safeguards needs, including more inspectors. States continue to provide support for IAEA program to counter nuclear terrorism. Ten to 20 more states negotiate, sign, and implement the Additional Protocol. New integrated safeguards system under the Additional Protocol in place in Japan and Canada The IAEA continues to improve safeguards approaches to key nuclear facilities of concern. At PrepCom III (2004) for the 2005 NPT Review Conference (RevCon), Parties table and discuss seriously recommendations for strengthening the NPT, particularly compliance with its nonproliferation obligations, safeguards, and export controls. Senate provides advice and consent to U.S. Additional Protocol.	2005 NPT Review Conference reinforces value of Treaty; many parties support recommendations to strengthen compliance with nonproliferation obligations, including support for the Additional Protocol, export controls, and safeguards. Additional states negotiate, sign and implement the Additional Protocol, including most NPT parties with major nuclear programs. Process for implementing U.S. Additional Protocol is well under way. Additional safeguards funding and improved approach to implementation continue to strengthen safeguards system. IAEA program to combat nuclear terrorism remains strong and continues to strengthen the security of nuclear and other radioactive material.

I/P #4: Strengthen Global Norms, *cont'd*				
Results			**Targets**	
2000 & 2001	**2002**	**2003**	**2004**	**2005**
Outcome Indicator				
Indicator #2: Status of the Physical Protection Convention (CPPNM)				
2000: N/A **2001:** N/A	Baseline: The IAEA met to discuss whether the CPPNM should be revised or strengthened. Experts made recommendations The Experts Group recommended "well defined amendment" to CPPNM for consideration by the Drafting Group. The Drafting Group worked on recommendations for consideration by a revision conference.	After two meetings, the Drafting Group concluded its work without reaching consensus on a revision proposal, but did identify a set of possible amendments warranting further consideration by States Parties as the basis for a proposal.	The United States signs the revised CPPNM, which is sent to the Senate for ratification.	Sufficient number of States sign revised CPPNM to allow convention to come into force with U.S. ratification.

I/P #5: Chemical Weapons Convention

Support the 1997 Chemical Weapons Convention (CWC): the global treaty outlawing the development, production, acquisition, stockpiling, retention, and transfer of chemical weapons (CW).

Results			Targets	
2000 & 2001	2002	2003	2004	2005
Outcome Indicator				
Indicator #3: Status of the Chemical Weapons Convention (CWC)				
2000: A total of 133 States Parties. The United States began implementing U.S. industry obligations. Discussions with Russia on CW destruction moribund. **2001:** A total of 144 States Parties. The U.S. fully implemented its industry obligations, including hosting 16 inspections of U.S. industry facilities conducted. Organization for the Prohibition of Chemical Weapons (OPCW) budget problems continued. Some destruction of Russian chemical weapons began.	Four States Parties (Nauru, Uganda, St. Vincent and the Grenadines, and Samoa) were added to the CWC, and two other states (Libya and Thailand) voiced intent to join. The United States fully implemented CWC industry obligations by meeting all declaration and reporting requirements, hosting eight industry inspections, and successfully resolving issues from five previous inspections. Three of the six Congressional conditions for granting authority for U.S financial assistance for Russian stockpile destruction have been resolved; limited progress was made on the other three conditions; Congress granted the President waiver authority. As a result of intense Department efforts, significant international financial assistance was provided. In the summer of 2002, the United States succeeded in bringing about a change in the leadership of the OPCW Technical Secretariat and called for voluntary donations to resolve the immediate OPCW financial crisis. The United States made a $2 million voluntary contribution, and sought and obtained agreement of the States Parties for a ten percent increase in the 2003 OPCW budget.	A total of 156 States Parties. The first Russian destruction facility started operations in December 2002, and Russia met its revised deadline of destroying 400 agent tons by April 24, 2003. Construction of a second destruction facility has begun. OPCW has significantly recovered from the financial and administrative crisis it faced a year ago. The new Director-General of the OPCW Technical Secretariat has undertaken necessary management and financial reforms. Inspections, a key operation for the OPCW, have increased by over 15 percent, while the budget increase has been held to less than 10 percent, indicating an increase in efficiency, as well. Inspections have also been retargeted to focus better on potential chemical weapons (CW) threats.	156 CWC States Parties. OPCW well managed and adequately funded. Full inspection program Construction continues on a second CW destruction facility in Russia.	157 States Parties OPCW management and financial reforms show results: inspection program expands in terms of number of sites inspected and number of countries inspected to 230 sites inspected in 57 countries Completion of destruction operations at first Russian facility (Gorniy), second destruction facility to be completed by 12/31/05; and construction begins on a third facility.

I/P #6: Biological Weapons Convention				
Support the 1972 Biological Weapons Convention (BWC) banning the development, production, stockpiling, and acquisition of biological weapons (BW).				
Results			**Targets**	
2000 & 2001	**2002**	**2003**	**2004**	**2005**
Output Indicator				
Indicator #4: Number of States Parties who Incorporate U.S. Proposals in Their National Approaches to Controlling the Biological Weapons Threat				
2000: The States Parties continued work on the BWC Protocol. The United States worked with the Ad Hoc Group Chairman to fix deficiencies in the BWC Protocol. **2001:** The States Parties continued work on the BWC Protocol. The United States rejected the flawed BWC Protocol because it would harm the U.S. pharmaceutical industry and undermine U.S. security.	USG developed an alternative package of effective measures to strengthen the BWC and began discussions with other BWC States Parties.	States Parties agreed at the November 2002 Review Conference to a work program based on U.S. proposals. At the August 2003 experts meeting, at least 25 states reported that national legislation, mirroring U.S. laws to control the BW threat, was already in place. The 80 states participating agreed that such legislation was an important element of their measures to improve biosecurity, evidence of implementation was more fragmentary. However, at least 20 States Parties acknowledged the validity of the U.S. approach and indicated that they had at least begun an awareness-raising program in their countries. At the November 2003 meeting of States Parties, the U.S. got an agreed pledge that all Parties will work to implement and enforce appropriate safeguards in their respective countries.	U.S. alternative proposals incorporated by 25-30 of the 150 total BWC States Parties in their national approaches to control the BW threat.	Forty to forty-five of the 150 total States Parties incorporate U.S. alternative proposals in their national approaches to controlling the BW threat.

I/P #7: Promote Safe Nuclear Cooperation				
Global nuclear cooperation under the highest nonproliferation and safety standards is promoted.				
Results			**Targets**	
2000 & 2001	**2002**	**2003**	**2004**	**2005**
Output Indicator				
Indicator #5: Unsafe Reactor Closures and Nuclear Waste Improvements				
2000: Several reactor closures agreed to in NIS and other Eastern European countries. Negotiations held on nuclear waste framework agreement. **2001:** Several NIS plants closed. G-7 adopted the goal of pressuring Russia to close unsafe reactors.	Positive results achieved in Eastern Europe: e.g., Lithuania and Armenia; Bulgaria shut down two of its four high-risk reactors (Kozloduy). Liability agreement reached with Russia allowing U.S. participation in waste cleanup; implementing agreements negotiated.	Ignalina (Lithuania) initiates closure procedures for Unit 1 and plans for the closure of Unit 2. Russia is working on a comprehensive plan for de-commissioning of some of its reactors. Began a comprehensive plan for addressing nuclear waste issues.	Russia's nuclear waste plan finalized. International community funds special projects to help with Russian nuclear waste. Liability resolved so U.S. if it chooses can participate outside of CTR. Progress toward closure of key plants in the former Eastern BlocIgnalina Unit 1 in Lithuania shuts down. Closure of Unit 2 anticipated in 2009. Armenia offers firm date for closure of its plant.	International community continues to provide funds to help with Russian nuclear waste. Decommissioning begins for Ignalina Unit 1 in Lithuania. Bulgaria prepares to shuts down Kozloduy Units 3 & 4. Armenia negotiates the closure of its plant.

Means for Achieving FY 2005 Targets

2005 NPT Review Conference reinforces value of Treaty; many parties support recommendations strengthen compliance with nonproliferation obligations, including support for the Additional Protocol, export controls, and safeguards.

- U.S. uses PrepCom III and consultations in lead-up to PrepCom III and the Review Conference to make clear strong challenge to the Treaty posed by noncompliance with nonproliferation obligations and the need for Additional Protocol universality and continued strengthening of the safeguards and export control systems.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.

Additional states negotiate, sign and implement the Additional Protocol, including most NPT parties with major nuclear programs. Additional safeguards funding and improved approach to safeguards implementation continue to strengthen the safeguards system.

- Work closely with the IAEA and key nations supporting the Additional Protocol to focus energies and resources on countries with significant nuclear activities.
- Use 2005 NPT Review Conference to highlight necessity of Additional Protocol.
- Continue consultations with the IAEA and key supporters of safeguards to ensure that safeguards have necessary resources, additional resources are wisely distributed, and IAEA implements safeguards with sufficient assertiveness.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.

IAEA program to combat nuclear terrorism remains strong and continues to strengthen the security of nuclear and other radioactive material.

- In response to the nuclear terrorism threat, support IAEA work that provides enhanced assistance to states for detection and prevention, including developing guidance and providing training and advisory services.
- Continue close collaboration with the IAEA and IAEA member states to ensure that anti-terrorism program continues to have widespread financial, in-kind, and political support.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.

U.S. signs revised CPPNM and submits to Senate for advice and consent. Sufficient number of States sign revised CPPNM to allow convention to come into force when they ratify.

- Seek to strengthen the Convention on Physical Protection of Nuclear Material (CPPNM) to extend its coverage to include nuclear material in domestic use.
- Drafting group considers recommendations with the goal of creating a package of amendments for a revision conference.
- The conference will approve the amendments package to the CPPNM to cover nuclear material in domestic use.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.

157 states parties to the Chemical Weapons Convention (CWC).

- Develop and implement targeted strategies for gaining additional adherents to the CWC, including using other countries' leverage.

OPCW Management and Financial Reforms Show Results

- Work with the OPCW Technical Secretariat and the new Director-General to keep the TS focused on its core missions (monitoring CW destruction and confirming declaration accuracy) and ensure it improves efficiency in operations and inspections.
- Press to increase the number of U.S. citizens employed at the OPCW, which will help improve management.

Construction of Third Russian Destruction Facility

- Generate increased international financial support for Russian CW destruction.
- Work with Russia to meet U.S. Congressional conditions for U.S. financial support of Russian destruction program.

U.S. alternative proposals are incorporated by 40-45 States Parties in their national approaches to controlling the BW threat.

- Engage in intensive consultations with BWC States Parties, both individually and collectively, to persuade them of U.S. approaches to strengthening implementation of the BWC.
- Work with the World Health Organization and other international organizations to counter the BW threat.

International community continues to provide funds to help with Russian nuclear waste; progress continues towards closure of unsafe reactors from the Soviet era.

- Negotiate new nuclear cooperation agreements, as appropriate.
- Work bilaterally with the countries concerned and multilaterally through the G-7 and the European Bank for Reconstruction and Development (EBRD).
- Consultations lead to G-7 adoption of the goal of pressuring Russia to close unsafe reactors.
- Appropriate Department and USG interagency stakeholders vet and the NSC approves U.S. demarches and negotiating positions.

Annual Performance Goal #3
VERIFICATION INTEGRATED THROUGHOUT THE NEGOTIATION AND IMPLEMENTATION OF NONPROLIFERATION AND ARMS CONTROL AGREEMENTS AND COMMITMENTS AND RIGOROUS ENFORCEMENT OF COMPLIANCE WITH IMPLEMENTATION AND INSPECTION REGIMES

I/P #8: Arms Control and Nonproliferation Verification

Integrate Verification into Negotiations and implementation of arms control and nonproliferation agreements and commitments

Results			Targets	
2000 & 2001	2002	2003	2004	2005
Input Indicator				
Indicator #1: Status of Verification of Arms Control and Nonproliferation Agreements and Commitments				
2000: N/A **2001:** N/A	Baseline: Moscow Treaty Verifiability Report completed. U.S. positions on verification requirements developed. Transparency measures for the Moscow Treaty developed. Prepared assessment of the elements of the verifiable dismantlement of North Korean nuclear weapons capability. Prepared assessment of the elements of a ban on North Korean indigenous and export programs for ballistic missiles.	The Senate provided its advice and consent to ratification of the Moscow Treaty in June 2003. Began implementation of Moscow Treaty through its Bilateral Implementation Commission (BIC). Considered role of transparency measures in terms of the BIC. Integrated verification concepts into USG deliberations and negotiations toward verifiable elimination of North Korea's nuclear program, including preparation of core interagency building blocks.	North Korea agrees to verifiable dismantlement of its nuclear program. Implementation of improved PPRA verification measures. Fully integrate verification concepts into USG deliberations and into negotiations toward a verifiable constriction or dismantlement of Iran's nuclear program Integrate verification concepts into USG deliberations toward the definition of a verification regime. Maintain effectively verifiable START Re-entry Vehicle On-Site Inspection (RVOSI) Regime. Integrate results of START Treaty inspections, notifications, national monitoring activities, and cooperative programs to enhance confidence in the implementation of the Moscow Treaty.	Continue dismantlement of North Korea's nuclear weapons program. Implement verifiable compliance measures related to North Korea's agreement to halt missile technology transfers Verification measures implemented in the constriction or dismantlement of Iran's nuclear program. Implementation of improved verification measures (PPRA). Fissile Material Cutoff Treaty (FMCT) basic verification measures agreed to. Effective implementation of the Moscow Treaty through the BIC.

I/P #8: Arms Control and NonproliferationVerification, *cont'd*				
Results			**Targets**	
2000 & 2001	**2002**	**2003**	**2004**	**2005**
Input Indicator				
Indicator #2: Status of the Effectiveness of the International Atomic Energy Agency to Contribute to Verification and Compliance of USG Nonproliferation Goals				
2000: N/A **2001:** Review IAEA safeguards verification technologies and methodologies. Participate in verification activities related to the Trilateral Initiative (U.S.-Russia-IAEA) to develop measurement technologies that protect classified information.	Supported IAEA safeguards as a nonproliferation policy priority. Trilateral Initiative stalled by Russia. U.S. exploring possible continued cooperation on verification technology.	Initiate a verification assessment of the IAEA's contributions to verification and compliance of USG nonproliferation goals. This includes assessing the IAEA's ability to detect undeclared activities and its utilization of resources to address concerns about Non-Nuclear Weapon States suspected of weapons activities.	IAEA utilizes its resources to detect undeclared activities and to address concerns about Non-Nuclear Weapon States suspected of weapon activities. Ensure that IAEA Technology Cooperation projects are not used as covers for technology to be diverted into covert production or development of nuclear materials or weapons.	IAEA further shifts its resources to detect undeclared activities and to address concerns about Non-Nuclear Weapon States suspected of weapon activities. Work with IAEA to ensure that noncompliance concerns are formally used in judging the applicability of Technology Cooperation projects.

I/P #9: Compliance Diplomacy				
Develop and implement compliance diplomacy strategy to enforce compliance with arms control and nonproliferation agreements and commitments. Ensure implementation of inspection regimes.				
Results			**Targets**	
2000 & 2001	**2002**	**2003**	**2004**	**2005**
Output Indicator				
Indicator #3: Status of Implementation of a Global Norm of Adherence to and Compliance with Arms Control and Nonproliferation Agreements				
2000: N/A **2001:** N/A	Compliance issues associated with arms control and nonproliferation agreements and commitments enforced.	**Proliferation Behavior Reviewed** – In preparing and improving the Annual Noncompliance Report, the Department is better positioned to promote compliance enforcement through compliance diplomacy and sanctions. **Non-Proliferation Arms Control Compliance & Enforcement** – Sought clarification and resolution of U.S. compliance concerns related to the Chemical Weapons Convention (CWC) through visits conducted under Article IX of the CWC. Bilateral compliance consultations were also conducted. We also worked with Congress to enforce Russian compliance with the CWC.	Coordinating U.S. efforts to assist Libya in ensuring and verifying the elimination of its weapons of mass destruction and MTCR class missile program. Proliferation behavior identified to allow for timely USG response to noncompliant and sanctionable activity. Brief allies, friends and key nonaligned states regarding noncompliant behavior, increasing their awareness of and sharpening their responses to curtail/modify noncompliant activities. Pursue open source information upon which to base more rigorous unclassified compliance assessments for use in compliance diplomacy.	Continue coordination of U.S. efforts to assist Libya in ensuring and verifying the elimination of its weapons of mass destruction and MTCR class missile programs. Foster international support for inducing compliant behavior, resulting in increased compliance with arms control and nonproliferation agreements and commitments. Other nations briefed on U.S. noncompliance concerns. Conduct Noncompliance consultations in capitals and at multilateral fora, e.g. NATO, ASEAN, OAS, identifying most serious noncompliance issues that remain to be resolved.

Indicator 3 continued on next page

I/P #9: Compliance Diplomacy, *cont'd*				
Results			**Targets**	
2000 & 2001	**2002**	**2003**	**2004**	**2005**
Indicator #3, continued				
		Start Treaty – In August 2003, the Department held consultations with Russia's representative to the Joint Compliance and Inspection Commission on the unclassified version of the Noncompliance Report for the year 2002. In September 2003, A/S for Verification and Compliance sent a follow-up letter to the Russian Ministry of Foreign Affairs (MFA), Department of Security Affairs and Disarmament, reiterating the earlier explanation from the consultations that the law requiring the President to submit the Noncompliance Report to Congress was changed to require more specificity in the upcoming Report. In response to a subsequent request from the Russian MFA, a copy of the law containing the requirements for submitting the Report to Congress was delivered to the Russian MFA on September 26. Russia has yet to provide official comments in response to the consultations. **Sanctions** – During 2003, the Department imposed sanctions on entities for transferring items that could contribute to WMD and delivery system programs as well as lethal military equipment sales. For example, in May 2003, the Department placed export and import ban sanctions on the Chinese entity NORINCO	**CWC:** Clarify and seek resolution of U.S. compliance concerns. Visits under Article IX of the CWC will be proposed to clarify and resolve compliance issues. Bilateral compliance consultations will be conducted. **BWC:** Promoting compliance with the BWC is a principle thrust of U.S. BWC activities at appropriate fora and in bilateral consultations. Department and USG validate agreed U.S. policy for the rapid assessment of allegations of biological and chemical weapons use, to be deployed during the 2004 Annual Meeting of the BWC States Parties.	Work with nations to ensure that multilateral export arrangements and individual export laws are commensurate with global nonproliferation goals **CWC:** Noncompliance issues identified with 16 states parties of concern and most noncompliance issues, resolved. Bilateral discussions held with 5 highest priority countries of concern and site visits conducted with top two States Parties of concern regarding CWC noncompliance issues, including those related to declarations, ambiguous CW and industrial activities. Multiple initial and follow-up demarches delivered which identify and seek resolution of U.S. noncompliance concerns, including those related to declarations and ambiguous industrial activities. Similar targets established for BWC, NPT, and MTCR as described above for CWC.

I/P #10: All Source Intelligence Collection and Technology R&D

Promote intelligence collection resources and technology R&D to support arms control and nonproliferation verification objectives, intelligence information secured and protected.

Results			Targets	
2000 & 2001	2002	2003	2004	2005
Input Indicator				
Indicator #4: Intelligence Collection Resources Applied to Support Arms Control and Nonproliferation Verification Objectives				
2000: N/A **2001:** N/A	Verification Technology R&D and intelligence assets coordinated and supported. The Department provided $400,000 to initiate a Program Office and to advocate funding the replacement for the COBRA JUDY radar (operated by the Department of Defense and the intelligence community), critical for verification of the Strategic Arms Reduction Treaty (START) and for missile proliferation assessments. State co-chaired the interagency Nonproliferation and Arms Control Technology Working Group (NPAC TWG), which acts as a central Coordinator for verification technology and identifies shortfalls in funding for critical arms control and nonproliferation R&D projects. The Department finalized the biennial NPAC TWG Report. State assisted in sponsoring major symposia on Biological Weapons Detectors, Nuclear Explosion Detection, Chemical Weapons Detectors, and Unattended Radiation Sensors.	USG did not seek funding from Congress for the V Fund, but Department identified projects and funded key intelligence programs using Department funds, important for verification of agreements and for ascertaining WMD-related activities. The annual Nonproliferation and Arms Control Technology Working Group (NPAC TWG) Conference was postponed due to the war in Iraq. Participated in over 20 USG intelligence groups that monitor and assess weapons and proliferation activities. Directed appropriate action related to sensors and other assets in support of arms control and nonproliferation objectives. With the assistance of other USG agencies and departments, the Department began compiling data related to the assessment of allegations of chemical and biological weapons use.	Participate in over 30 USG intelligence groups that monitor and assess weapons and proliferation activities, and direct appropriate action related to sensors and other assets in support of arms control and nonproliferation objectives.	Support and preserve the continued operation of key sensor programs used to verify arms control and nonproliferation agreements and commitments.

I/P #11: Rapid and Accurate Communications for Arms Control

Ensure the rapid transmission of important information regarding compliance with nonproliferation/arms control restrictions.

Results			Targets	
2000 & 2001	2002	2003	2004	2005
Output Indicator				
Indicator #5: Reliable Communications and Timely Upgrades				
2000: U.S.-Russian Nuclear Risk Reduction Centers (NRRC) Agreement Amendment Protocol signed by the Secretary in January 2000. Study of architecture for Government-to-Government Communications Links (GGCL) replacement system began (the current system is operational only until 2005). **2001:** Study of architecture for GGCL replacement system took place.	START partners (former Soviet nuclear states) considered completed U.S. proposal for replacement of current Government-to-Government Communications Links (GGCL) system. Integrated Notification Application (INA), designed to support CFE, Open Skies and VC 1999 notification exchange was being tested; OSCE Network Phase II Migration was on track.	GGCL preliminary modernization authorized by START partners in the summer of 2003. INA became operational. Network migration completed, with startup of Internet-based Virtual Private Network (VPN). All Network members successfully migrated.	Coordination of international testing of accepted GGCL replacement architecture design. INA fully functional with installation by all Network members. The three former notification-processing applications, CFE NoFES (Notification Front End System), Vienna Document '99 Word macros, and Open Skies NoFES, are discontinued. More non-connected OSCE Network states have joined the Network. The reduced communications costs of the VPN are realized.	Timely communications in support of U.S. and foreign compliance with arms control and nonproliferation agreements and commitments. Final international testing of replacement system successful; integrated system brought online, maintaining 99% reliability in communications. INA software automation enables NRRC to process increased notification traffic with '03-level staffing. All OSCE states are electronically connected to the Network.

Means for Achieving FY 2005 Targets

Continue dismantlement of North Korea's nuclear weapons program.

- Develop and implement regime for dismantlement and ban on missile transfers. Identify specific milestones as part of diplomatic strategy.

Implement verification measures to constrict or dismantle Iran's nuclear program.

- Develop framework and identify specific milestones as part of diplomatic strategy.

FMCT verification measures agreed to and verification measures implemented pursuant to PPRA.

- Refine verification strategy for FMCT and PPRA.

Effectiveness of the IAEA

- Engage with both like-minded states and relevant elements within the IAEA, consulting on best path to shift IAEA resources and culture to focus on detecting undeclared activities and addressing Non-Nuclear Weapons States suspected of weapon activities.

Ensure consistent strategy for addressing noncompliant behavior.

- Record compliance analysis and findings in the 2004 Noncompliance Report and use this document to drive U.S. compliance diplomacy and interactions with allies, friends, and others to induce compliance by those states that are not fulfilling their arms control and nonproliferation obligations and commitments.
- Work with allies, friends, and others to develop global responses to noncompliant activities.
- Continue to Improve Annual Noncompliance Report covering CY 2004 activities by increasing its coverage and depth of analysis regarding noncompliant behavior.
- Seek Congressional action to combine the CFE Condition 5 report and CWC Condition 10 report with the Noncompliance Report thereby reducing the total number of reports. Man-hours saved are invested in improving analytic effort in preparing the Noncompliance Report.

Noncompliance issues identified and most noncompliance issues resolved.

- Apply compliance expertise to introduce more rigor into reviews of proliferation behavior to identify and respond to sanctionable activities.
- Increase consistency between U.S. laws authorizing sanctions to discourage proliferant behavior and the nonproliferation provisions of international treaties, agreements, and commitments.

Multiple bilateral discussions and site visits with other States parties regarding CWC noncompliance issues.

- Engage states parties about whose CWC compliance the United States has concerns.
- Conduct visits under the provisions of Article IX of the CWC to assist in resolving U.S. concerns about CWC compliance.
- Share our views on CWC compliance with other States Parties and build a wider consensus around U.S. concerns.
- Request, where appropriate, action by the OPCW under the provisions of Article IX of the CWC.

Multiple initial and follow-up demarches delivered which identify and seek resolution of U.S. BWC noncompliance concerns.

- Engage states parties about whose BWC compliance the United States has concerns.
- Share our views on BWC compliance with other States Parties and build a wider consensus around U.S. concerns.
- Promote U.S. views on compliance with the BWC during the annual Group of Experts meeting and during the annual meeting of BWC States Parties.

Enhance open source collection on arms control and nonproliferation issues to support unclassified efforts to induce compliance.

- Seek additional funding to support this open source collection effort.
- Contracts with outside entities executed to collect and exploit open source information on WMD and their means of delivery.

- Interagency Agreements with other U.S. government agencies and task orders with existing contracts will be used to collect open source information. The data will then be included with other data to combat the spread of WMD and the means of their delivery.
- Use expertise of specialized contractors such as microbiologists and chemical experts, institutes, and universities to analyze and evaluate open source information on WMD proliferation.
- The VC Bureau will develop contracts with outside organizations, such as George Mason University's Center for BioDefense, as well as using consultants from the Monterey Institute to review and provide reports to the VC Bureau using open source information.
- Formulate requirements and work closely with our database contractors to adopt and modify software applications for our use in acquiring key data on the proliferation of WMD and the means of their delivery. Utilize "Access" software application or a similar system to track all the pertinent information.

Provide a better understanding of the need for rigorous verification and compliance to decision-makers and staff throughout the U.S. government in order to better achieve U.S. arms control objectives.

- Conduct a conference for U.S. officials on verification and compliance at the SECRET level.

Timely exchange of notifications pursuant to international agreements, utilizing new GGCL architecture. Final international testing of replacement system successful; integrated systems brought on line to replace 1995-era GGCL.

- INA software automation enables NRRC to process increased notification traffic with '03-level staffing.
- Release of new versions of INA furthers ease of use of the software.
- Training new NRRC personnel in use of INA promotes greater efficiency in processing notifications.
- All OSCE states are electronically connected to the Network.
- Demonstrate to non-connected states the benefits of joining the VPN by showing savings incurred in communications costs.
- Provide technical assistance by funding experts to travel to non connected states and work on establishing VPN connection.
- All OSCE states are electronically connected to the Network.
- Demonstrate to non-connected states the benefits of joining the VPN by showing savings incurred in communications costs.
- Provide technical assistance by funding experts to travel to non connected states and work on establishing VPN connection.

V: Illustrative Examples of FY 2003 Achievements

Weapons of Mass Destruction	
U.S.-Russia Strategic Offensive Reductions	In May 2002, Presidents Bush and Putin signed the Moscow Treaty, reflecting the dramatic shift from Cold War rivalry to partnership based on the principles of mutual security, trust, openness, and cooperation. The treaty legally binds the United States and Russia to reduce the levels of strategic nuclear warheads by the end of 2012 to between 1,700 and 2,200 – about one-third of current levels. The Treaty entered into force in June 2003.
Positive Outcome for 2nd PrepCom Meeting	U.S. efforts to support the second meeting of the Preparatory Committee (2003 NPT PrepCom II) for the 2005 NPT Review Conference contributed to a positive outcome that addressed a full range of substantive issues, including international concern over Iran's and North Korea's nuclear programs, the importance of universalization of the Additional Protocol for strengthened IAEA safeguards and the importance of treaty compliance.
Fissile Materials Disposition	A Plutonium Production Reactor Agreement (PPRA) and replacement implementing agreement was signed. In addition, access arrangements for U.S. personnel overseeing projects to construct/refurbish fossil fuel plants to replace production reactors was signed. PPRA monitoring of shutdown reactors and Russian weapon-grade plutonium in storage continues smoothly.
Cooperation with Russia on New Strategic Framework	In June 2003, the U.S.-Russian treaty on Strategic Offensive Reductions entered into force, reflecting the dramatic shift from Cold War rivalry to partnership based on the principles of mutual security, trust, openness, and cooperation. The treaty binds the U.S. and Russia to reduce the levels of strategic nuclear warheads by the end of 2012 to between 1,700 and 2,200 – about one-third of current levels.

VI: Data Verification/Validation by Performance Goal

Performance Goal 1 Bilateral measures, including the promotion of new technologies, combat the proliferation of WMD and reduce stockpiles.
• Data to measure performance and progress are derived from intelligence reporting cables from U.S. embassies and meetings, principals' committee/deputies committee (PC/DC) decisions, decision memos, interagency USG input, and, where appropriate, treaty and regime documents and meetings. For the Science Centers, data are collected and maintained in accessible databases in Moscow and in Kiev. Data and performance measurement are also derived from reports by independent outside auditors. Data generally cover all relevant issues and are usually reliable.
Performance Goal 2 Strengthened multilateral WMD agreements and nuclear energy cooperation under appropriate conditions.
• Data to measure performance and progress are derived from direct participation, intelligence, reporting cables, PC/DC decisions, decision memos, interagency input, and, where appropriate. IAEA documents and meetings, and trip reports. Data cover all relevant issues and are reliable. For the IAEA and OPCW, data to measure performance and progress are derived from IAEA and OPCW decisions and other IAEA and OPCW documentation, USG policy papers and decision documents, and U.S. diplomatic reporting (particularly from IAEA and OPCW) and e-mail. Data also come from other USG personnel involved in supporting programs (e.g., from NRC and Department of Energy).
Performance Goal 3 Verification integrated throughout the negotiation and implementation of nonproliferation and arms control agreements and commitments, and rigorous enforcement of compliance with implementation and inspection regimes.
• Data to measure performance and progress are derived from intelligence, reporting and analysis, diplomatic reporting cables, direct participation in multilateral and bilateral forums, open sources of information, reporting by international inspectorates, data declarations, treaty notifications, documents submitted to international implementing bodies, information submitted as confidence building measures, on-site inspections, National Technical Means, and notifications exchanged among agreement signatories. Data are cross-compared, analyzed, and tested for accuracy and for verification. PC/DC decisions, decision memos, IAEA documents, meetings, and trip reports, interagency input, treaty, agreement, and commitment documents and meetings, and Congressional activities also play a part in validating performance. • For North Korean nuclear dismantlement, verification will be self-evident with the development of objectives, list of monitoring and verifying tools, international consensus on elements of the verification regime, and funding and implementation of verification of dismantlement activities. • Data are assessed through the applicable VCAWG and compliance judgments are rendered. Findings are recorded annually in the President's Annual Noncompliance Report. • Performance of NVIS development tasks are verified and validated by the implementation of these software tools on the classified system and their routine use within the Department. • The performance of test site transparency will be validated by the occurrence of reciprocal test site visits with key countries.

VII. Resource Detail

Table 1: State Appropriations by Bureau ($ Thousands)

Bureau	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
International Organization Affairs	$85,656	$93,339	$99,788
Nonproliferation	17,346	17,653	18,255
Arms Control	18,021	17,685	18,183
European and Eurasian Affairs	8,795	8,936	16,859
Other Bureaus	26,452	28,043	29,324
Total State Appropriations	**156,270**	**165,656**	**182,409**

Table 2: Foreign Operations by Account ($ Thousands)

Title/Accounts	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Title I - Export and Investment Assistance			
Export-Import Bank			
Overseas Private Investment Corporation			
Trade and Development Agency			
Title II - Bilateral Economic Assistance			
USAID			
Other Bilateral Economic Assistance	74,582	64,150	58,064
Independent Agencies			
Department of State	174,770	187,388	195,000
Department of Treasury			
Complex Foreign Contingencies			
Title III – Military Assistance			
International Military Education and Training			
Foreign Military Financing			
Peacekeeping Operations			
Title IV – Multilateral Economic Assistance			
International Financial Institutions			
International Organizations and Programs			
Total Foreign Operations	**249,352**	**251,538**	**253,064**

Grand Total	**$405,622**	**417,194**	**435,473**